



DATE ISSUED: May 10, 2006

REPORT NO. CCDC-06-07  
CCDC-06-06

ATTENTION: Honorable Chair and Members of the Redevelopment Agency  
Council President and City Council  
Docket of May 16, 2006

SUBJECT: Cortez Hill/Tweet Street Park (northern side of Date Street and eastern side of Tenth Avenue) – Approval of Marler Johnson Park Lease and Maintenance Agreement, and Request to Bid – Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area

REFERENCE: Attachment A – Findings  
Attachment B – Location Map  
Attachment C – Final Development Plan  
Attachment D – Marler Johnson Park Lease Agreement  
Attachment E – Maintenance Agreement  
Attachment F – Environmental Secondary Study

### REQUESTED ACTION

Issue - Should the Redevelopment Agency:

- Enter into a Maintenance Agreement with the City of San Diego;
- Authorize the Corporation, on behalf of the Agency, to advertise and receive bids for the construction of Cortez Hill/Tweet Street Park (located at Date Street and Tenth Avenue);
- Authorize the Executive Director of the Redevelopment Agency or designee, to award the contract to the lowest responsible bidder, provided bids are within the established budget and all other requirements are met;
- Authorize the Corporation, on behalf of the Agency, to administer said contract; and
- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490?

And, should the City Council:

- Enter into a Marler Johnson Park Lease Agreement with the State of California Department of Transportation (“Caltrans”);
- Enter into a Maintenance Agreement with the Redevelopment Agency; and
- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490?

#### STAFF RECOMMENDATION

That the Redevelopment Agency adopt the Resolution to:

- Enter into a Maintenance Agreement with the City of San Diego;
- Authorize the Corporation, on behalf of the Agency, to advertise and receive bids for the construction of Cortez Hill / Tweet Street Park (located at Date Street and Tenth Avenue);
- Authorize the Executive Director of the Redevelopment Agency or designee, to award the contract to the lowest responsible bidder, provided bids are within the established budget and all other requirements are met;
- Authorize the Corporation, on behalf of the Agency, to administer said contract; and
- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490.

And, that the City Council adopt the Ordinance to:

- Enter into a Marler Johnson Park Lease Agreement with the State of California Department of Transportation (“Caltrans”);
- Enter into a Maintenance Agreement with the Redevelopment Agency;

And, that the City Council:

- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490.

### SUMMARY

Balboa Park once extended into the Cortez area. In the early 1960s, the Interstate 5 right-of-way through Balboa Park was provided to Caltrans. Roughly 73 acres of land were removed from Balboa Park as an easement for Interstate 5. A small vestige of Balboa Park remained in Cortez, and the Corporation proposes to restore that remnant back to park land. (This site is illustrated on "Attachment B.")

The proposed Cortez Hill / Tweet Street Park advances the Visions and Goals of the Centre City Community Plan, the Objectives of the Centre City Redevelopment Project, and the actions of the Cortez Focus Plan by:

- Utilizing small unusable public rights-of-way as landscaped open space;
- Developing parks/open space;
- Expanding and enhancing the planting of Interstate 5 as a park-like amenity to serve the Cortez District; and
- Converting excess public right-of-way along Date Street and 10<sup>th</sup> Avenue to a linear park including pathways, passive recreational features, and resident parking.

### General Description

The proposed park is located along the freeway edge between Cortez Hill and Interstate 5. This park will serve the rapidly growing population of the adjacent residential area, providing useable outdoor space for roaming, sitting and meeting neighbors. The Park expands the existing narrow area to make use of the Caltrans right-of-way along Date Street and 10<sup>th</sup> Avenue.

The Park is linear in form, being an average of 30' wide and a total of 1,800 feet in length, with approximately 900 feet on the Date Street frontage and 900 feet on the 10<sup>th</sup> Avenue frontage. The Park will provide a green landscaped buffer between the neighborhood and the freeway, and will contain features such as sidewalks, curved walking paths, a play area for small children, benches for sitting, litter receptacles, and pet rest area facilities. New trees shrubs and groundcovers are proposed as well as a small portion of lawn near the play area. Pedestrian scale

lights will line the paths. Improvements also include street slurry and re-striping works, including the accommodation of additional diagonal parking.

The Park is often referred to as “Tweet Street” as it features a bird oriented theme with artistic birdhouses, and planting that will encourage birds to take up residence in the park. An official name for the park is yet to be decided, and this process will involve a public outreach component.

### Design Process

In January 1999, the Corporation began the design process to implement Cortez Hill Focus Plan’s goal of creating a neighborhood park. Staff met with Caltrans to discuss the feasibility of converting Caltrans’ right-of-way adjacent to Date Street from 6<sup>th</sup> Avenue to 10<sup>th</sup> Avenue and adjacent to 10<sup>th</sup> Avenue from Date to Beech streets. After receiving a preliminary “go-ahead” from Caltrans, the Corporation proceeded to develop a concept design for the park with the design team of Nasland Engineering and Estrada Land Planning (“Design Team”).

The Design Team was directed to create a park design that would require low maintenance existing view corridors, and allow for maximum observation from the street level. The Park concept was developed and presented to the residents, property and business owners of the Cortez community, and the Cortez Committee of the Corporation Board of Directors in May 1999. A revised plan including further circulation and parking improvements was developed after further consultation with the community, and this plan was subsequently presented to Caltrans and the Federal Highways Administration for conceptual approval. In April through June 2002, the design development plan was approved by the Balboa Park Committee of the Park and Recreation Department, and the Park Recreation Department. The plan has been further refined and developed to get to the final design stage. In late 2005, the final design of the park was approved by the Centre City Advisory Committee and the Corporation Board.

### Design Changes

Changes since the last approval stage focus on small refinements to further improve the location and arrangement of the play facilities, and final determination of locations for park benches and other amenities. Only one substantial change has been made since the earlier concept plan, and this relates to the connection between Date Street and 10<sup>th</sup> Avenue sections of the park.

The previous version of the plan included a proposed stairway to connect the two streets. This concept was presented to the City of San Diego’s Subcommittee for the Removal of Architectural Barriers (SCRAB) to seek feedback on the proposed stairway and other connection options, such as a ramp. The Subcommittee recommended that any proposed connection in this location should enable equal access for all users – whether that access was gained via a ramp, a stairway and outdoor elevator, or by some other means.

The Design Team has undertaken an analysis of a ramp in this location and this configuration would be extremely difficult given the nature of the terrain, the small area to accommodate the ramp, and the 22' grade difference between the top of the slope at Date Street, and the bottom of the slope at 10<sup>th</sup> Avenue. In the interests of moving this project forward, and starting construction for this important and long-awaited project, staff is recommending a revised design for this location. The proposed treatment for this area is illustrated in the Final Development Plan (Attachment C). This treatment does not provide a connection in the short-term. Instead, it proposes planting the embankment with low-level planting to avoid people trampling up or down the steep embankment. It also provides a viewing and amenity area at the top of the embankment. In the longer-term, staff and the Design Team will continue to work to find a feasible solution for establishing this connection between the two sections of the park.

#### Park Lease and Maintenance

After prolonged discussions with Caltrans, the Corporation and the City have negotiated a Marler Johnson Park Lease Agreement ("Lease Agreement"). This document is a legal agreement prescribed in the State Highway Code that allows Caltrans to lease unused right-of-way. This Agreement is allowed under State law because Caltrans determined that the market value of the property does not exceed Caltrans' obligations to maintain the site.

The Lease Agreement was reported to the Real Estate Planning and Projects Committee on April 6, 2005, and the Centre City Advisory Committee on November 16, 2005, where it received unanimous support. The Lease Agreement (Attachment D) was subsequently approved by the Corporation Board on January 25, 2006.

The terms and conditions of the Lease Agreement are summarized as follows:

- the term of the Agreement is for 10 years at the rate \$12 per annum plus \$500 per annum processing fee, the total of which will be paid in advance (by the Agency);
- the Agreement may be renewed for up to three additional five year periods, subject to a reevaluation by Caltrans and the City of San Diego;
- the property must be maintained by the City of San Diego;
- the City of San Diego will be responsible for removing and/or relocating all improvements except landscaping, if the lease is terminated;
- the development plans for the site must be approved by Caltrans;
- the development of the site must be commenced within twelve months of the encroachment permit approval; and
- the Agency shall post a sign identifying that the Park was developed under a lease with Caltrans and that the lease is subject to termination if the property is needed for State Highway operating purposes.

The final terms of the Agreement between the City of San Diego and the Redevelopment Agency of the City of San Diego for the Maintenance of Cortez Hill Park ("Maintenance Agreement") have been negotiated. This document (Attached E) establishes the responsibilities between the City and the Agency.

The terms of the Maintenance Agreement support the Lease Agreement between Caltrans and the City of San Diego. The Maintenance Agreement supplements the Lease Agreement by confirming the responsibilities of the Agency and the Council. These are summarized as follows:

- the Agency is responsible for the lease payment (\$512 per annum), and for the construction of the improvements; and
- the City is responsible for maintaining the park and all other duties (not mentioned above), to fulfill the requirements of the Lease Agreement.

Schedule and estimate of costs – The following is a summary of the projected schedule for bidding and execution of the project:

<u>Preliminary Schedule</u>	<u>Completion Date</u>
A. Advertise for Bidding	March 2006
B. Bid Opening and Award	April 2006
C. Begin Construction	May 2006
D. Complete Construction	December 2006

The following is a construction cost estimate prepared by Nasland Engineering and Estrada Land Planning:

<u>CONSTRUCTION ITEM</u>	<u>ESTIMATED COSTS</u>
Traffic control	\$ 80,000
Mobilization	100,000
Demolition	91,752
Earthwork	75,000
Street improvements	466,203
Park improvements	457,546
Street lighting and electrical	155,700
Planting	136,020
Irrigation	185,500
Maintenance	14,000
<b>SUBTOTAL</b>	1,761,721
Contingency +/-15%	264,258
<b>TOTAL</b>	<b><u>\$ 2,025,979</u></b>

The above line items include an estimated contingency, general conditions, overhead and profit, insurance and bonds.

Environmental Impact – Under the 2006 Final Environmental Impact Report for the San Diego Downtown Community Plan, Centre City Planned District Ordinance, and Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project (EIR), an Environmental Secondary Study is prepared for all developments in the Centre City area in order to evaluate the project's compliance with the Community Plan and PDO and, therefore, the findings and conclusions of the EIR. Unless the project is found to be out of compliance with those planning documents, no further environmental review is required. An Agency resolution has been prepared stating for the record that the Agency has previously reviewed and considered information contained in the EIR and it is determined that no substantial changes or new information of substantial importance within the meaning of the California Environmental Quality Act warrant additional environmental review in connection with the approval of the Request to Bid and Construction for the development of Cortez Hill/Tweet Street Park.

Under the 2006 Master Environmental Impact Report (MEIR), an Environmental Secondary Study is prepared for all developments in the Centre City area in order to evaluate the project's compliance with the Community Plan and PDO and therefore, the findings and conclusions of the MEIR. Unless the project is found to be out of compliance with those planning documents, no further environmental review is required.

## FINDINGS

State law requires that certain findings be made by the City Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment "A" recites the proposed findings with respect to the benefits of the proposed improvements to the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Area, the unavailability of other reasonable means to finance the proposed improvements, how the proposed improvements will assist in the elimination of blighting conditions inside the Centre City Redevelopment Area, and the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490.

## EQUAL OPPORTUNITY

This project will utilize the City's Subcontracting Outreach Program ("SCOPE"). The purpose of SCOPE is to maximize opportunities for all qualified and available firms and to provide equal opportunity for all subcontractors. The program creates mandatory subcontractor outreach and utilization requirements for contractors.

Bid solicitation identifying subcontracting and vendor opportunities will be advertised in the *San Diego Daily Transcript*, *Filipino Press*, *El Latino*, and *San Diego Voice* and *Viewpoint*. For additional outreach, the Corporation will use its extensive data base of certified contractors, eBidboard, the Daily Transcript Online Plan Room, Blue Hornet, CCDC's website ([www.ccdc.com](http://www.ccdc.com)), the Green Sheet, *Contractor News and Views*, community/trade and ethnic organizations, and the Public Agency Consortium.

#### FISCAL CONSIDERATIONS:

The Agency will be responsible for the installation of the Cortez Hill/Tweet Street Park ("Park"), and for the lease payment. Funds for the project are available in the FY 2005 – 2006 Cortez District Budget, and a total amount of \$2,167,000 is available for Tweet Street Park. A revised estimate of Probable Construction Costs places the construction cost as approximately \$2,026,000. The Agency is also responsible for the lease payments, for a cost of \$5,120 for the initial ten-year period. If all rights-of-renewal are fulfilled, an additional \$7,680 will be due (with an amount of \$2,560 due in the years 2016, 2021 and 2026 respectively).

The City of San Diego Park and Recreation Department will be responsible for the maintenance of the park when construction is complete and the contractor's responsibilities and warrantee period are satisfied. The maintenance of this park will be undertaken within current budget allocations.

#### CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On January 25, 2006, the Corporation Board voted unanimously to recommend approval of the Lease Agreement and Maintenance Agreement. On December 14, 2005, the Corporation Board voted unanimously to approve the Final Design and recommended Authorization to Bid.

#### COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The plan has also received conceptual approval from the Federal Highways Administration and the Caltrans District Airspace Review Committee (DARC) in 2001.

On March 18, 2002, the City Council approved the changes to the street layout and circulation to enable construction of the Cortez Hill / Tweet Street Park.

The CCDC Board of Directors and the Centre City Advisory Committee approved the design for the Cortez Hill / Tweet Street Park in 1999.

The Cortez Hill community has been engaged in the design process over the years, and has endorsed the design for the Cortez Hill / Tweet Street Park.



### KEY STAKEHOLDERS & PROJECTED IMPACTS

There are no developers or businesses who are directly involved in the proposed action.

The projected impact of the action is that additional valuable open space for downtown residents will be created. The new park will be maintained by the Park and Recreation Department within the constraints of current budgets.

### SUMMARY/CONCLUSION

The proposed park will implement a number of recommendations from the Cortez Focus Plan, and will convert an unusable strip of Caltrans' right-of-way into valuable public open space. The creation of a neighborhood park for Cortez Hill will provide a variety of recreational amenities, and will raise the quality of life for all downtown residents and visitors.

The Marler Johnson Park Lease Agreement will provide the authority to enable Caltrans to lease the unused right-of-way to the City for park purposes, and the Maintenance Agreement establishes the responsibilities of the City and Agency.

Respectfully submitted,

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Nicole Haines  
Associate Project Manager

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Approved:     Nancy C. Graham  
President

Attachments: Attachment A - Findings  
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